



# Indiana Postsecondary Education Financing Study 1999-00

## How Students Pay

# Financial Aid in Broadest Context

- Academic Year and Summer Sessions
- Public and Private Institutions
- Grants and Scholarships
- Need-based and Non-need-based Loans
- Work Study

# Financial Aid in Broadest Context

## Total Reported Financial Aid 1999-00

\$538.4 million grants

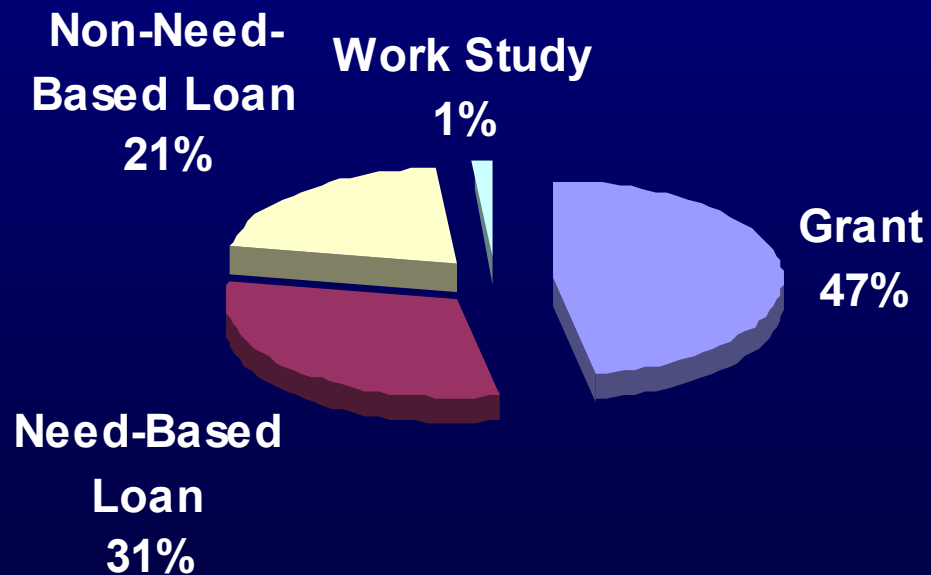
\$356.0 million need-based-loans

\$236.5 million non-need-based loans

\$15.7 million work study

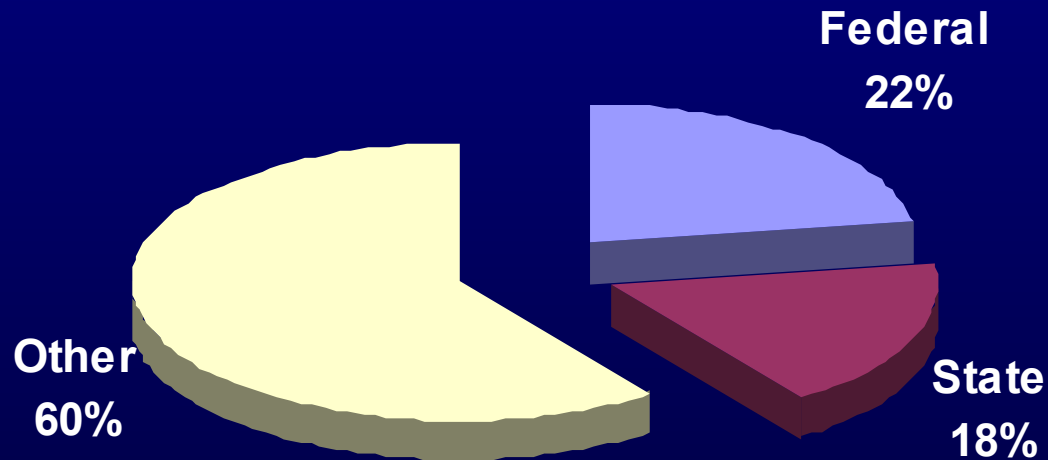
\$1.147 billion total reported

# Distribution of Aid by Type



**\$1,146,712,958 Total**

# Distribution of Grant Aid by Source



**\$538,442,538 Total**

# Total Financial Aid -- Publics

	<u>UG</u>	<u>Grad/Prof</u>	<u>Total</u>
Grant	\$256.2M	\$48.5M	\$305.0M
Need-Based Loan	\$205.1M	\$73.4M	\$278.5M
Non-Need Loan	\$140.7M	\$51.1M	\$191.8M
Work Study	\$8.3M	\$1.7M	\$10.1M

# Total Financial Aid -- Independents

	<u>UG</u>	<u>Grad/Prof</u>	<u>Total</u>
Grant	\$225.7M	\$4.3M	\$233.4M
Need-Based Loan	\$77.5M	\$6.3M	\$77.5M
Non-Need Loan	\$44.7M	\$3.8M	\$44.7M
Work Study	\$5.4M	\$.06M	\$5.6M

# More to Financing Education . . .

## How do students pay?

- Costs
- Student and Parent Resources
- Grants and Scholarships
- Loans
- Work



# How Students Pay

- How much did it cost to attend a public college in 1999-00?
- Who received financial aid in 1999-00?
- What are the income distributions of financial aid recipients?
- How much is expected from parents?
- How much is expected from students?
- How much aid is provided by grants and scholarships?
- How much aid is provided by loan programs?
- How do these combined resources address student costs?
- Is Indiana making progress toward affordability objectives?

# Cost

## Components:

Tuition and Fees

Room and Board

Commuter, On-Campus, Off-Campus

Books and Supplies

Transportation and Miscellaneous Expenses

# On-Campus Costs

	<u>1999-00</u>
IUB	\$12,686
IUPUI	\$13,676 high
PUWL	\$11,374
ISU	\$10,808
USI	\$9,720
BSU	\$10,850
VU	\$9,090 low

# Commuter Costs

	<u>1999-00</u>
IUB	\$9,222
IUPUI	\$11,326 high
IU Regionals	\$8,640 - \$9,782
PUWL	\$9,414
PU Regionals	\$8,114 - \$8,394
ISU	\$9,492
USI	\$8,264
BSU	\$7,850
VU	\$6,090 low
ITSC	\$6,980

# Off-Campus Costs

	<u>1999-00</u>
IUB	\$12,686
IUPUI	\$15,593 high
IU Regionals	\$12,304-\$14,401
PUWL	\$11,374
PU Regionals	\$11,794-\$13,447
ISU	\$11,952
USI	\$11,059
BSU	\$10,850
VU	\$9,090 low
ITSC	\$10,552

# Students in Study – Public Institutions 1999-00

		<u>% All</u>	
Annual Headcount	325,610	100.0%	
Undergrad Headcount	275,130	84.5%	<u>%UG</u>
Full-Time Undergrads	104,921	32.2%	38.1%
FT UG w/Financial Aid	69,038	21.2%	25.1%
Complete Data	50,820	15.6%	18.5%

65.8% of FT Undergrads received aid

48.4% of FT Undergrads w/complete records

# Students in Study – Public Institutions

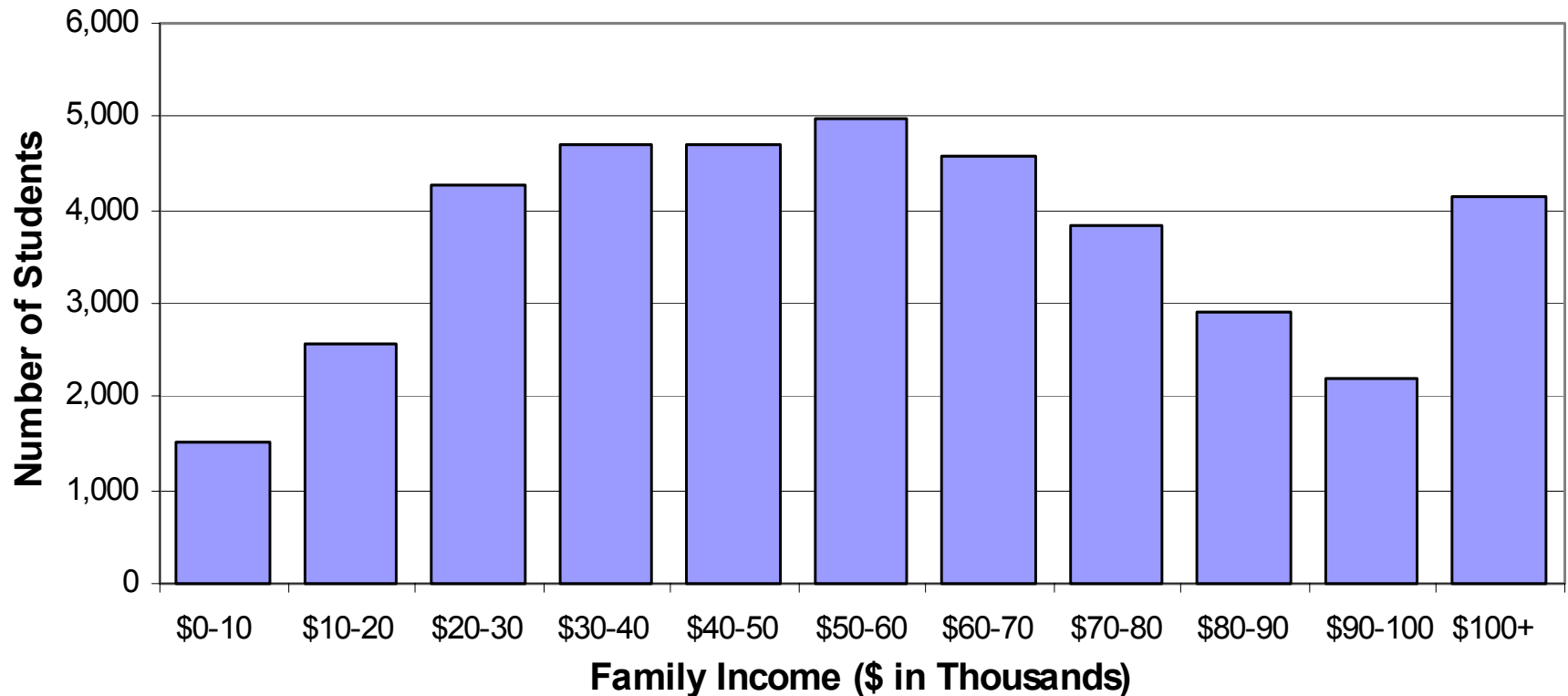
	<u>1994-95</u>	<u>1999-00</u>
Annual Headcount	314,942	325,610
Undergrad Headcount	267,032	275,130
Full-Time Undergrads	95,746	104,921
FT UG w/Financial Aid	57,173	69,038
Complete Data	45,060	50,820

# Financial Aid Recipients in Study

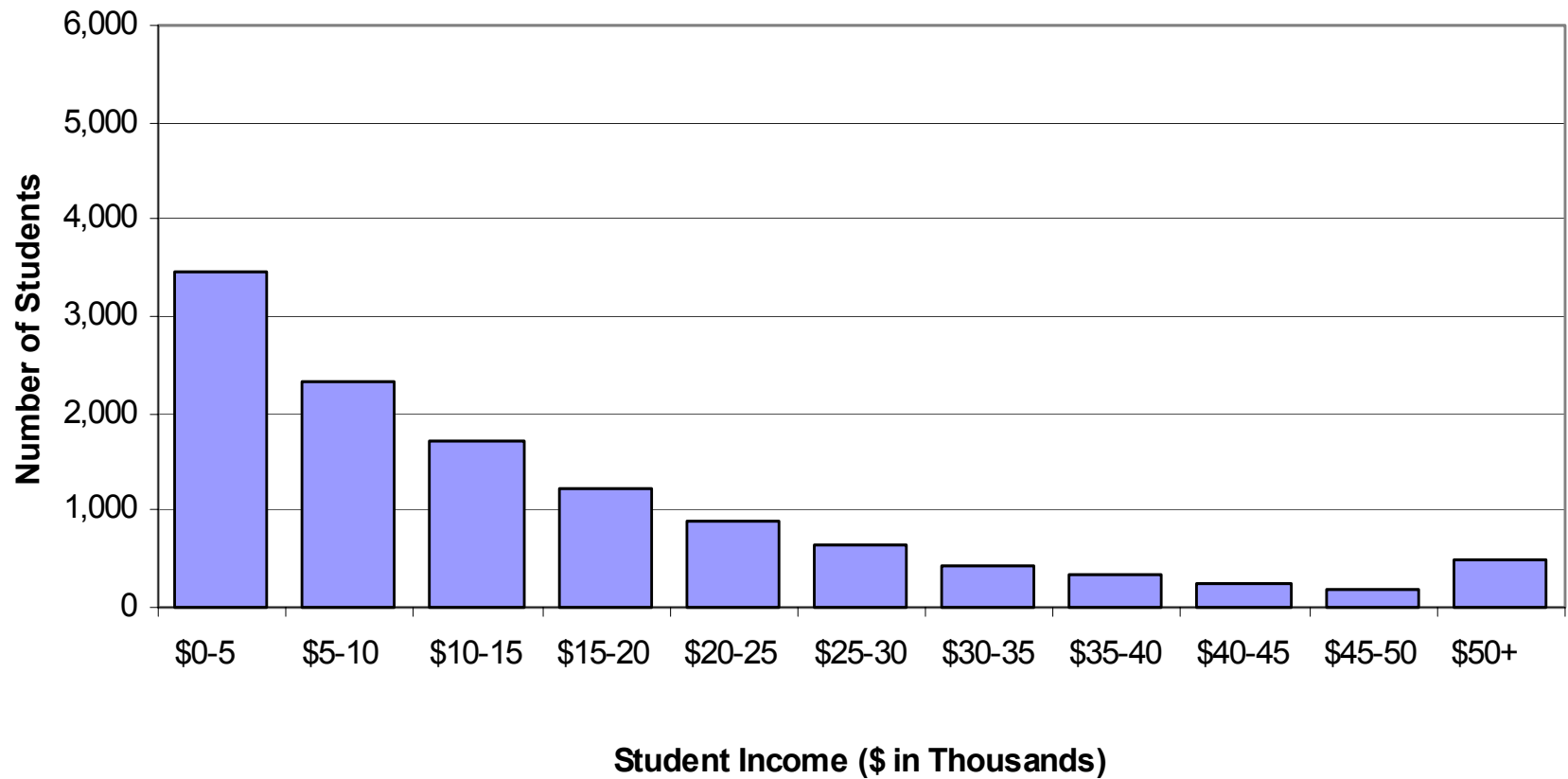
	<u>1995-95</u>	<u>1999-00</u>
Dependent	31,180	40,446
Independent	14,829	12,043
Unknown Dependency	4,413	7,290
Nonresident	6,695	9,017
Other Residency	<u>56</u>	<u>242</u>
Total	57,173	69,038



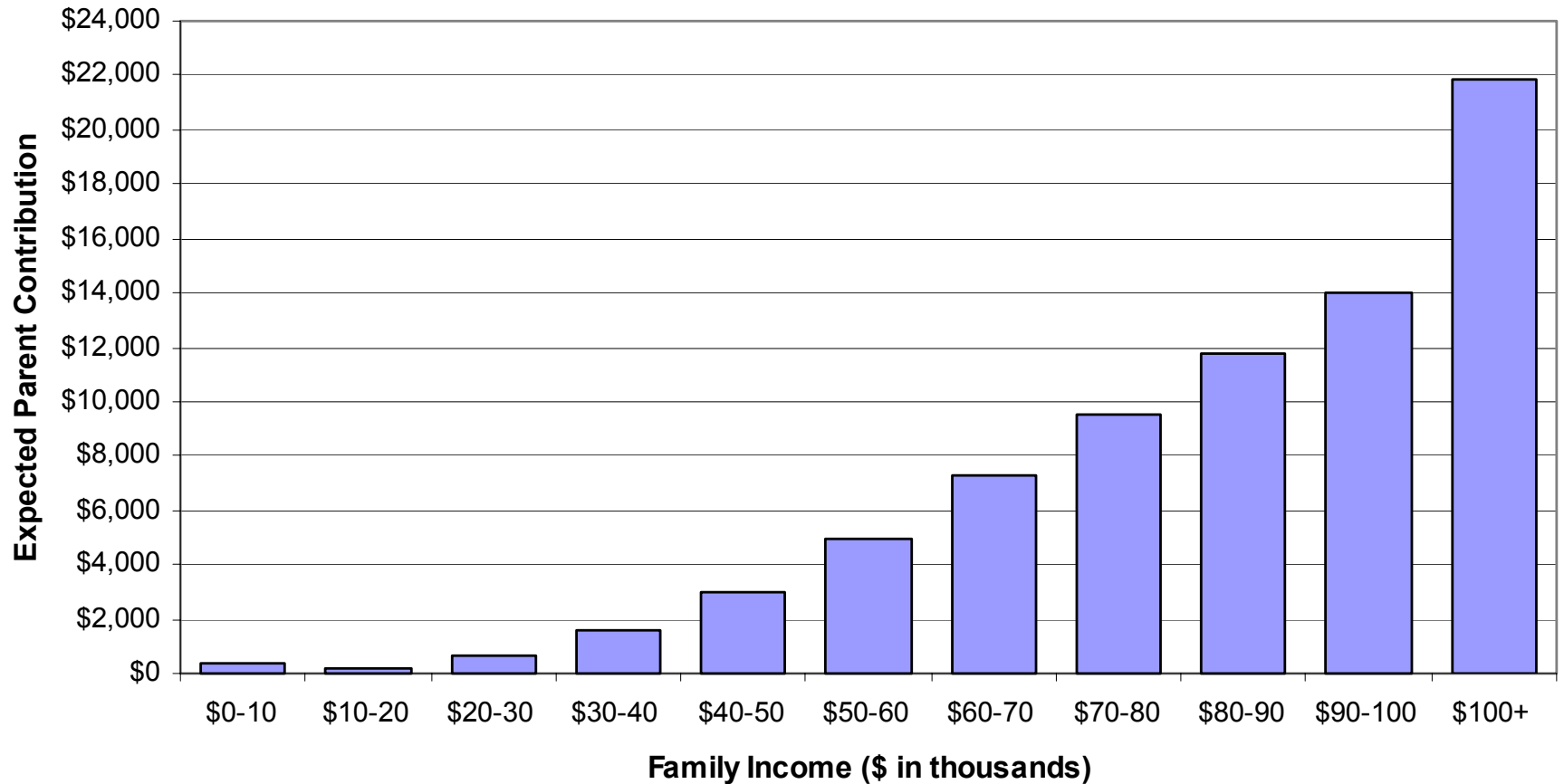
# Dependent Aid Recipients by Family Income



# Independent Aid Recipients by Family Income

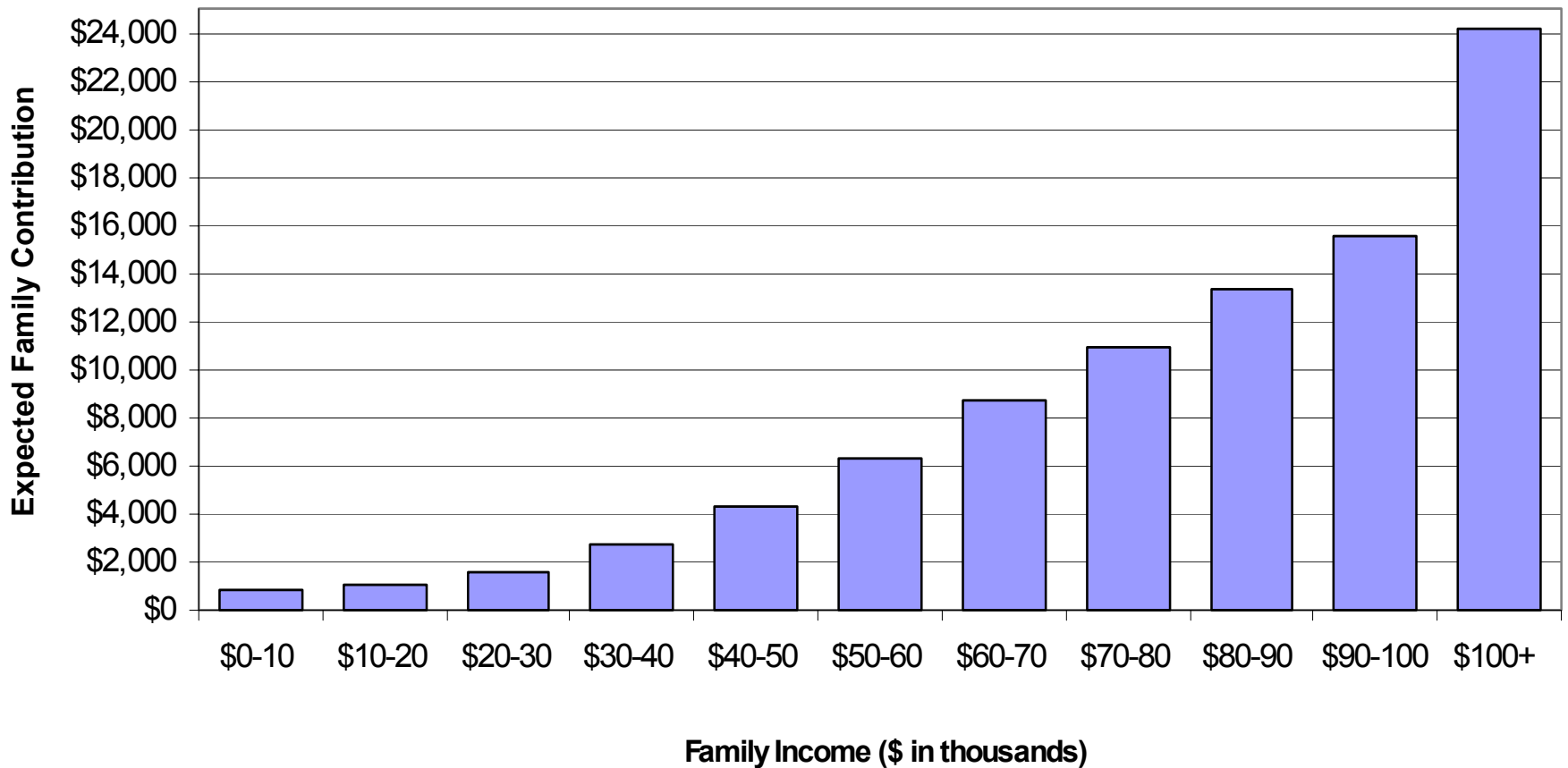


# Expected Parent Contribution

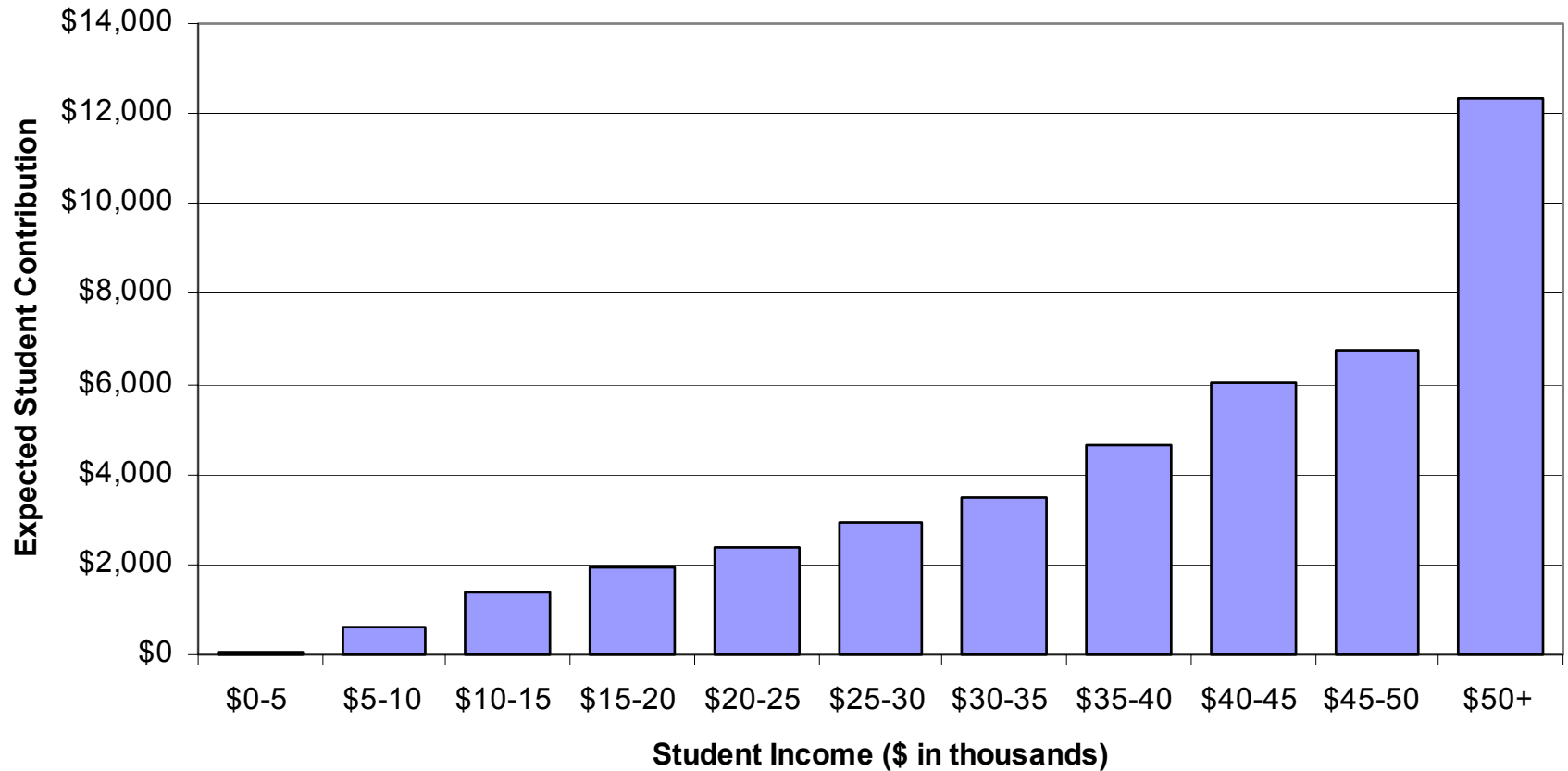


# Expected Family Contribution

(Parent and Dependent Student)



# Expected Student Contribution -- Independents



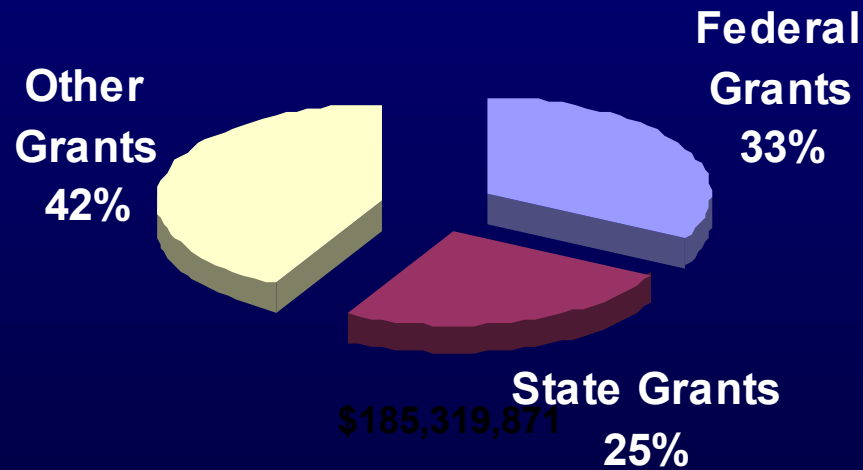
# Grants and Scholarships

- Pell
- SEOG
- Veterans
- Higher Education Award
- 21<sup>st</sup> Century Scholars
- Other Indiana Sources—Nursing, Hoosier Scholars
- Institutional
- Other Private Sources—Foundations, Clubs, Etc.

# Grants and Scholarships

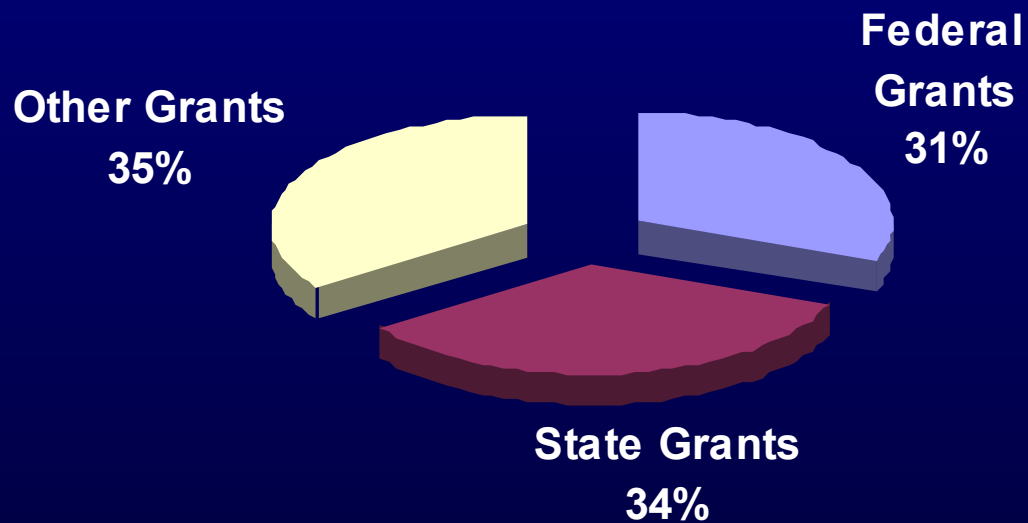
	<u>1994-95</u>	<u>1999-00</u>
Indiana Residents		
Dependent	\$55.9M	\$90.5M
Independent	\$44.7M	\$43.5M
Unknown Depend.	\$7.9M	\$16.7M
Nonresidents	<u>\$18.8M</u>	<u>\$34.6M</u>
Total	\$127.3M	\$185.3M

# Grants and Scholarships By Source

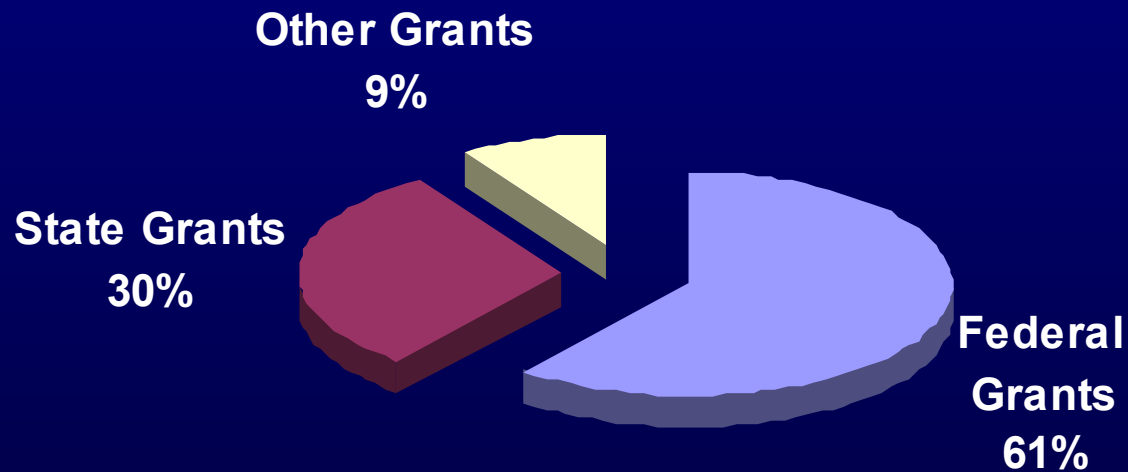




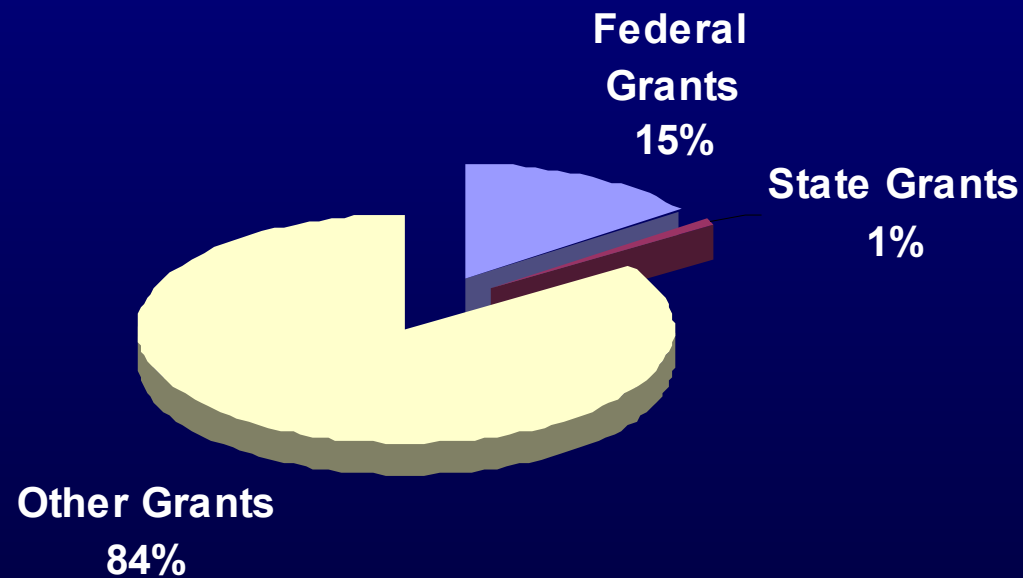
# Grants and Scholarships Resident Dependents



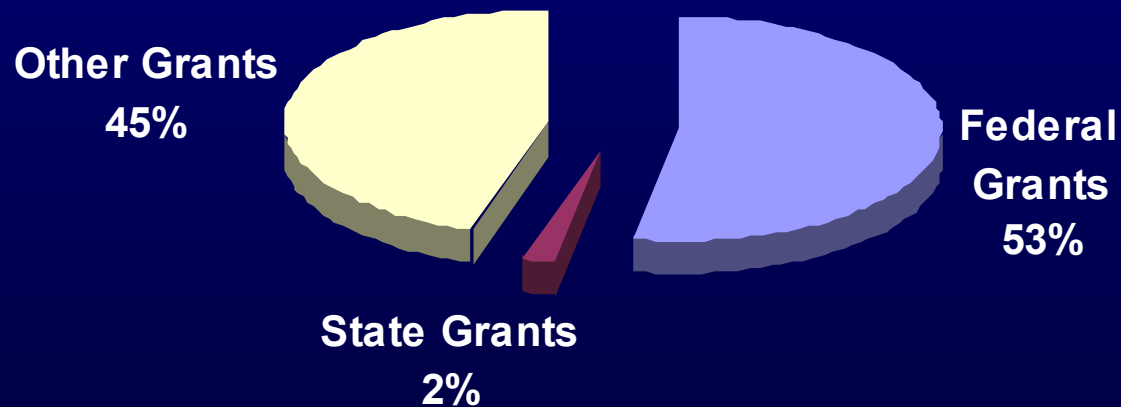
# Grants and Scholarships Resident Independents



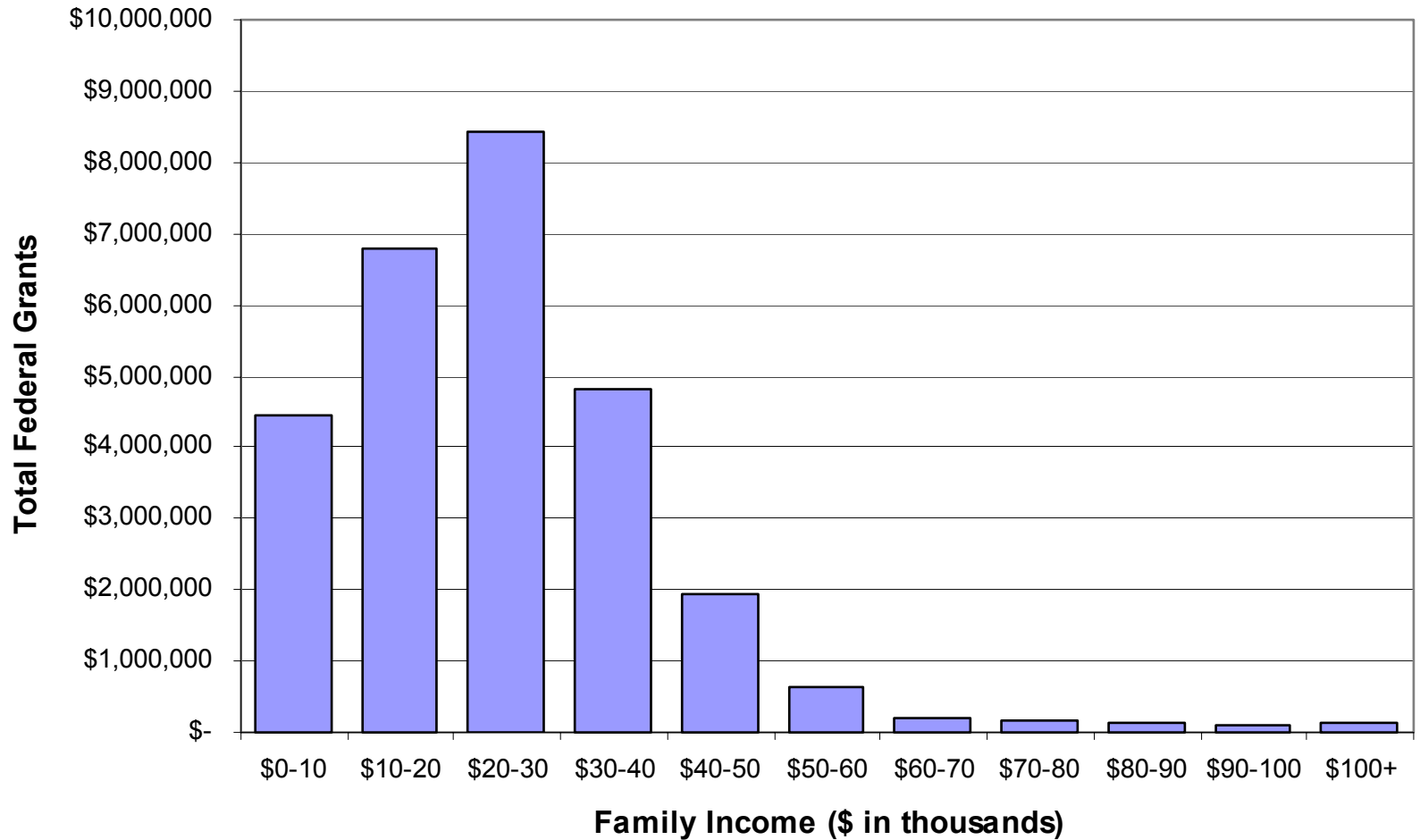
# Grants and Scholarships Nonresident Dependents



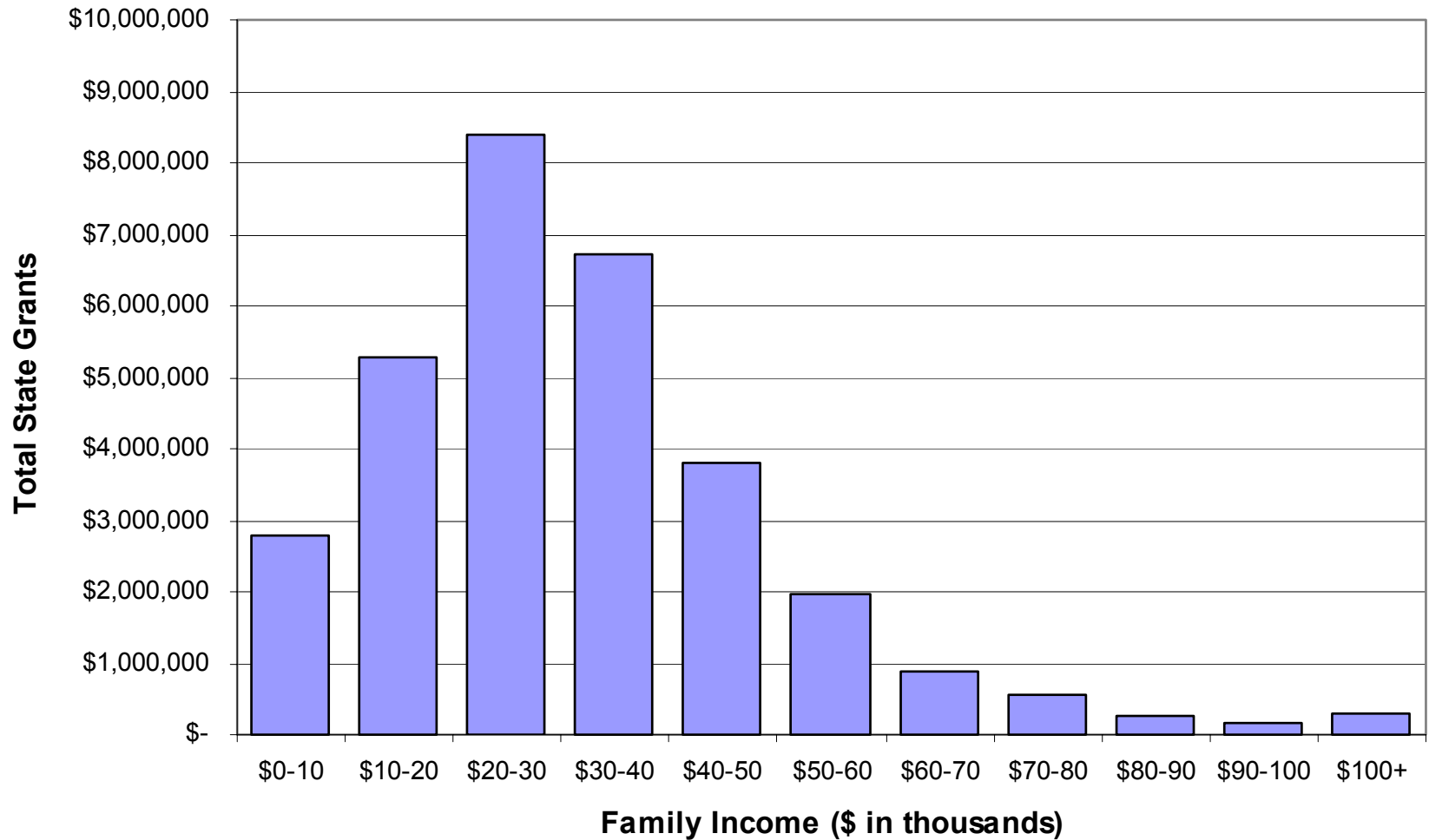
# Grants and Scholarships Nonresident Independents



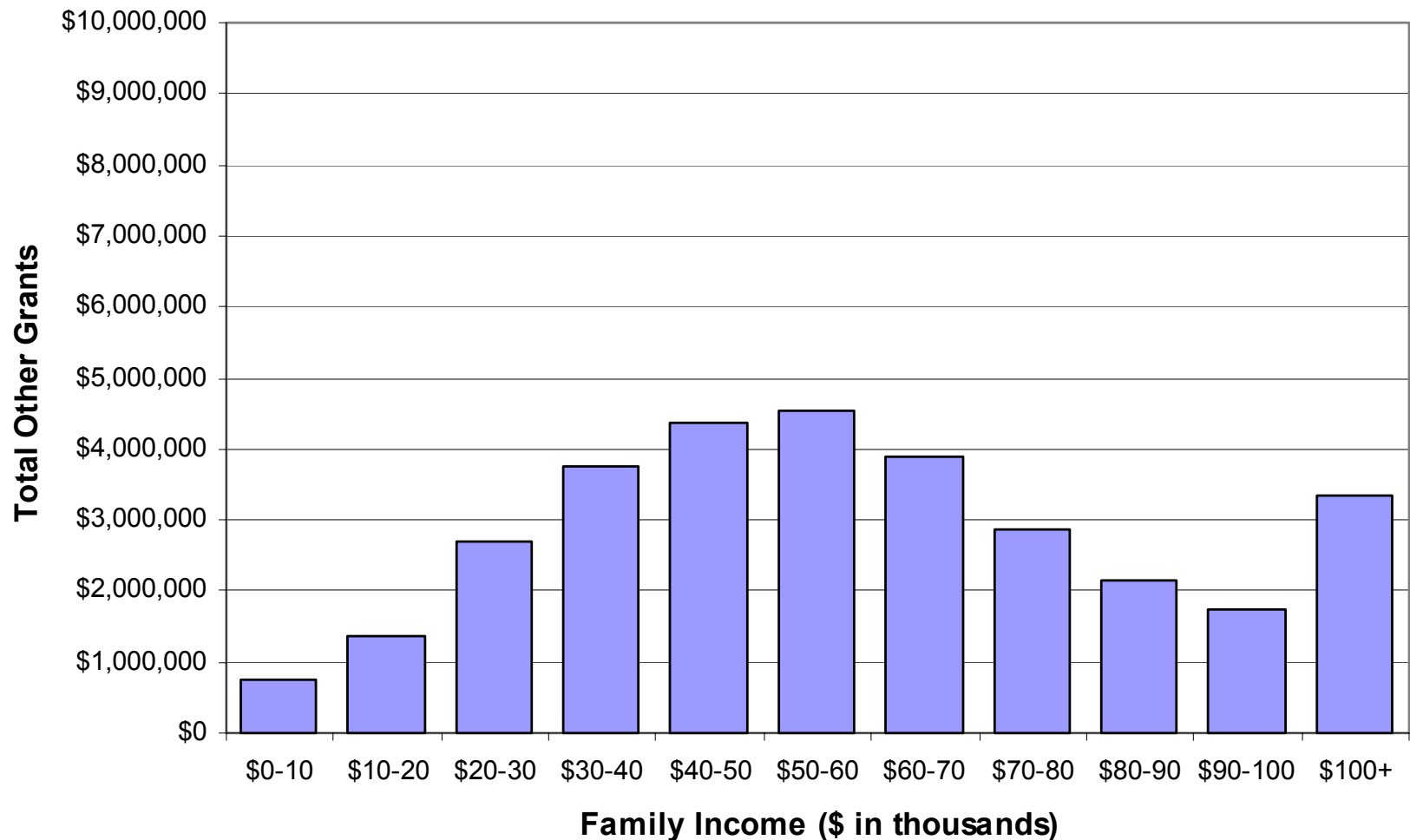
# Federal Grants to Dependents



# State Grants to Dependents



# Other Grants to Dependents



# Loans

- Subsidized Stafford Loans
- Perkins Loans
- Other Repayable Loans
- Unsubsidized Stafford Loans
- PLUS



# Loan Limits

	<u>Dependents</u>	<u>Independents</u>
Freshmen	\$2,625	\$6,625
Sophomores	\$3,500	\$7,500
Juniors	\$5,500	\$10,500
Seniors	\$5,500	\$10,500

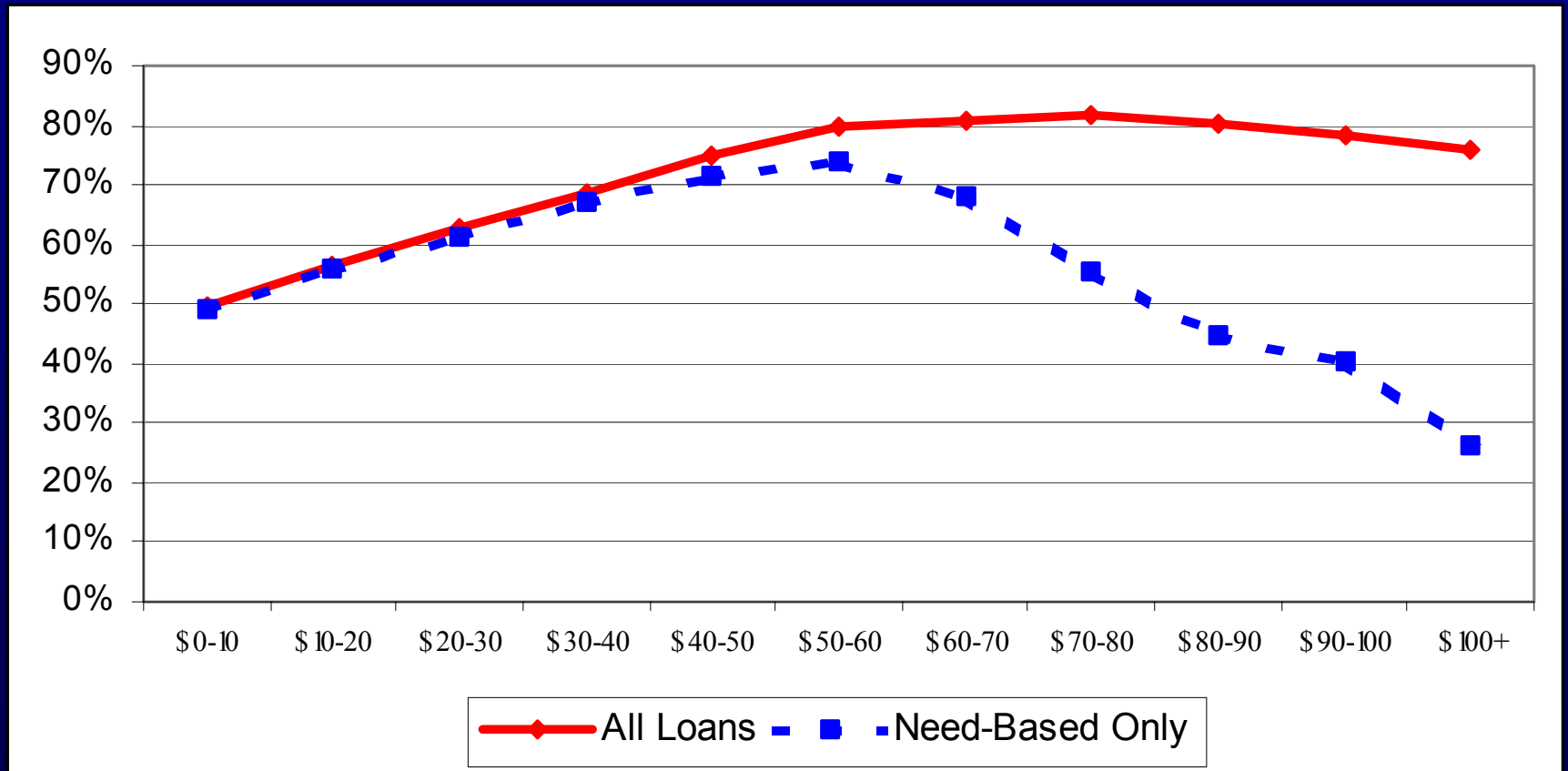
# Need-Based Loans

	<u>1994-95</u>	<u>1999-00</u>
Indiana Residents		
Dependent	\$57.7M	\$78.7M
Independent	\$34.7M	\$33.9M
Unknown Depend.	\$0.1M	\$3.0M
Nonresidents	<u>\$15.8M</u>	<u>\$17.7M</u>
Total	\$108.3M	\$133.2M

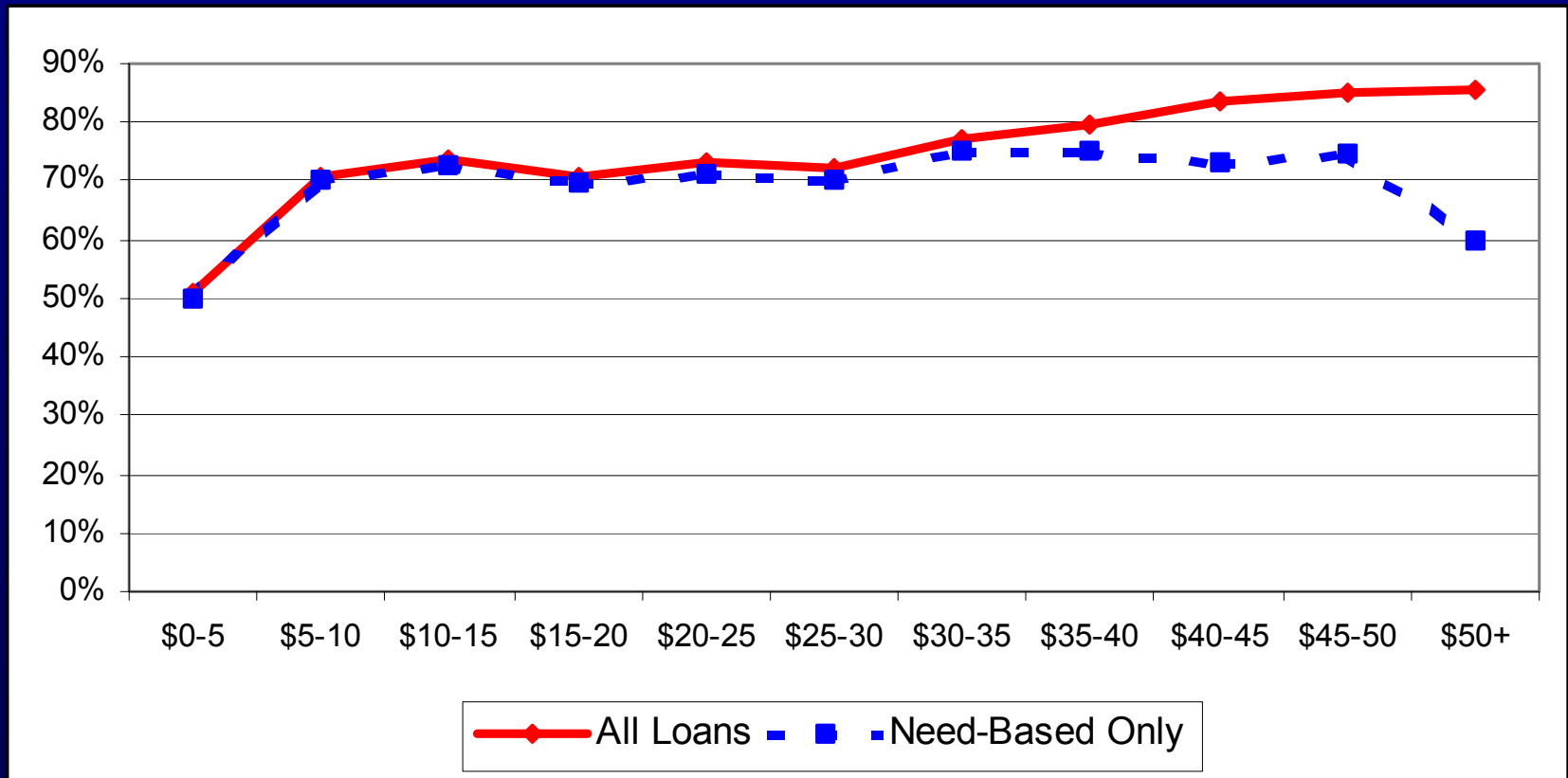
# All Loans 1999-00

	<u>Need-Based</u>	<u>All Loans</u>
Indiana Residents		
Dependent	\$78.7M	\$142.3M
Independent	\$33.9M	\$46.5M
Unknown Depend.	\$3.0M	\$5.4M
Nonresidents	<u>\$17.7M</u>	<u>\$43.8M</u>
Total	\$133.2M	\$237.9M

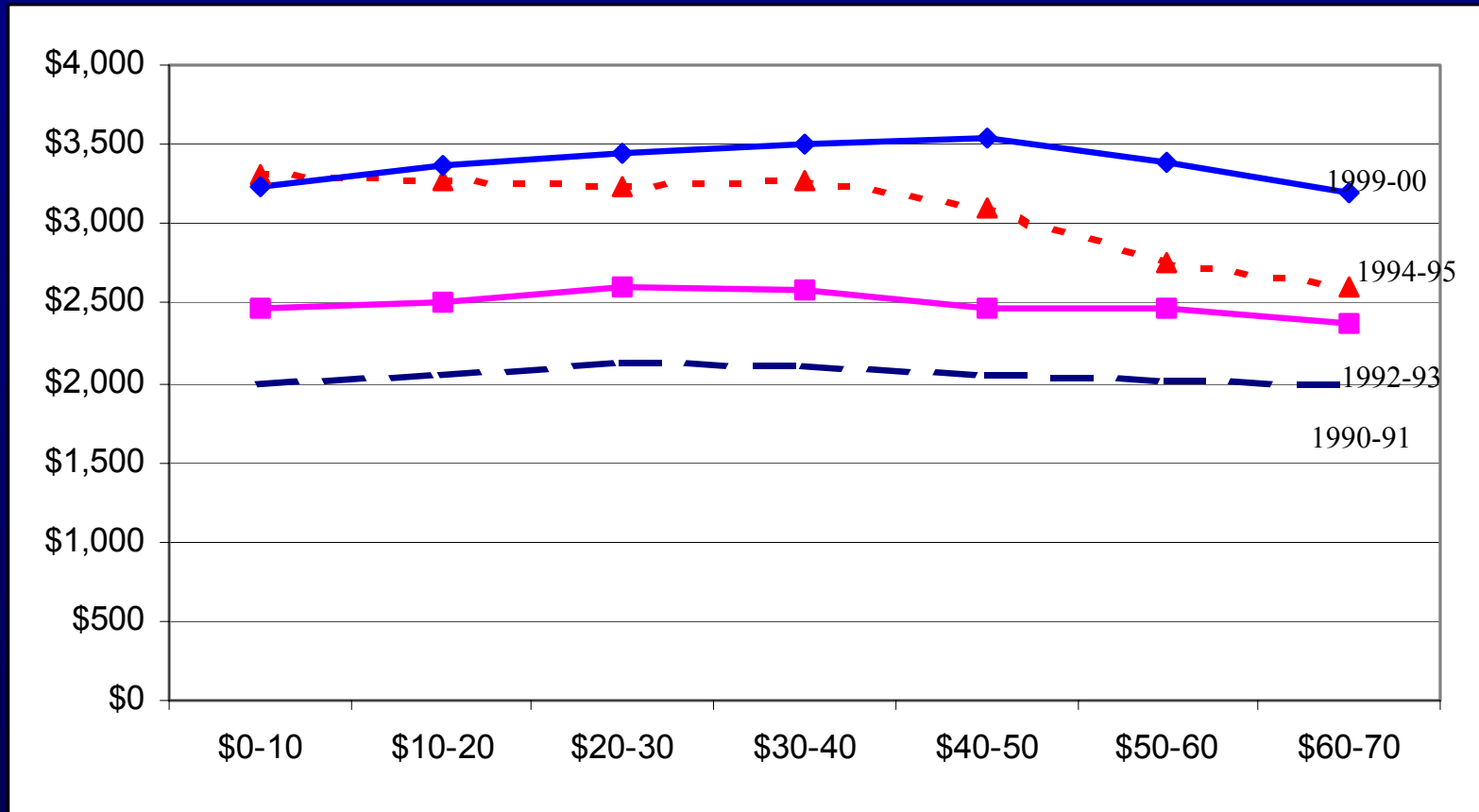
# Share of Dependent Students Borrowing



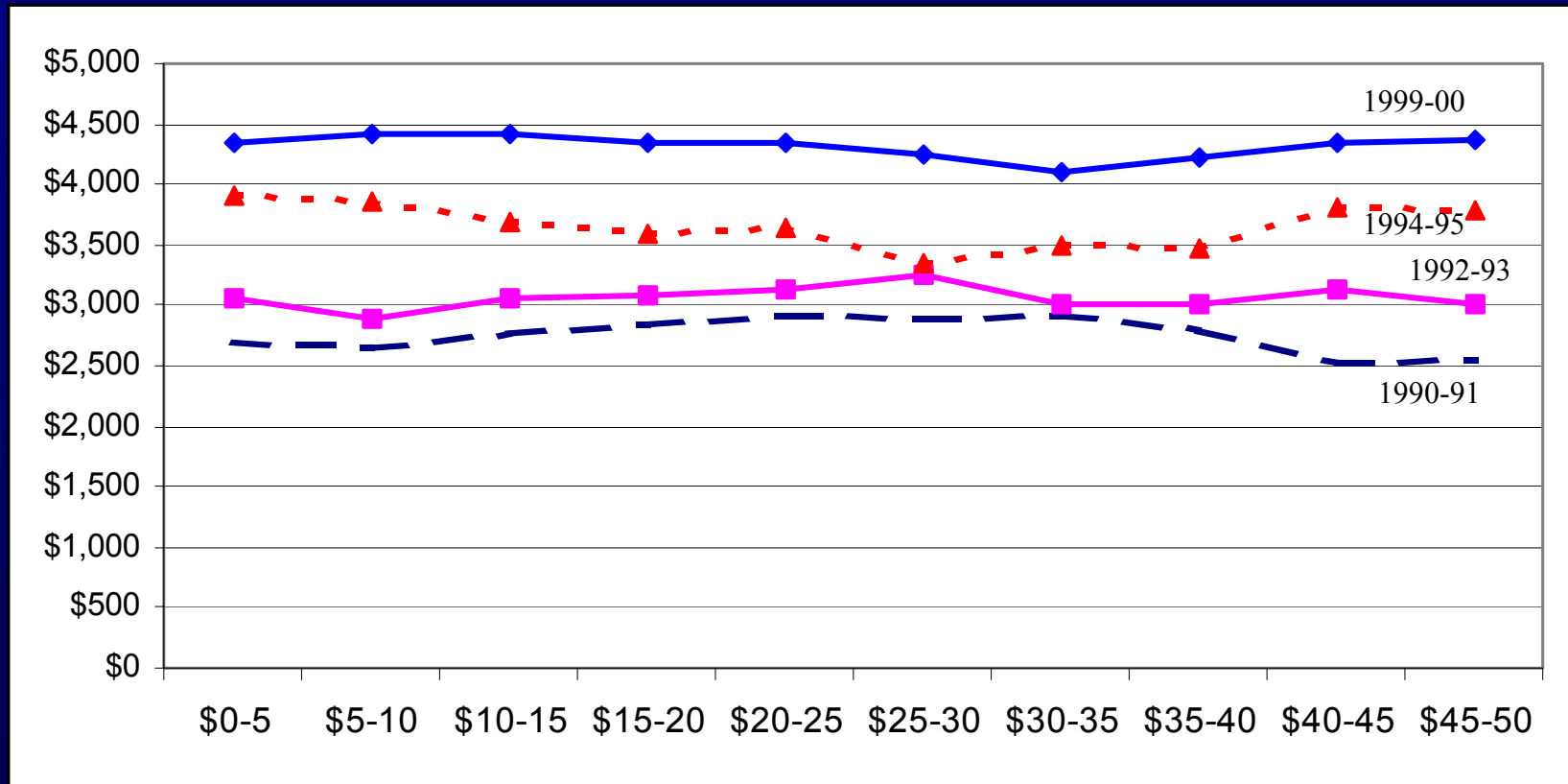
# Share of Independent Students Borrowing



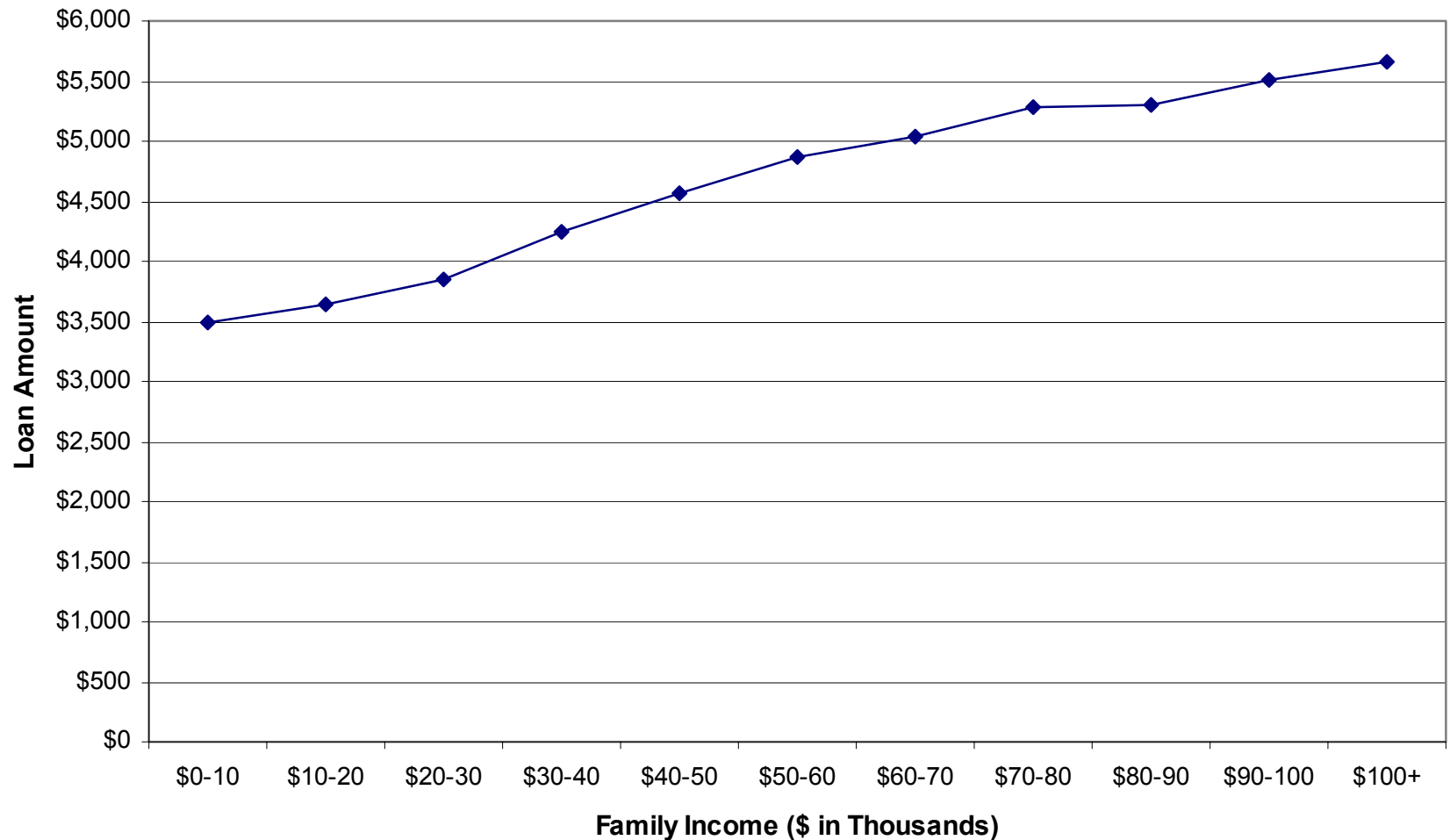
# Average Loan Amounts for Dependent Borrowers – Need-Based Loans Only



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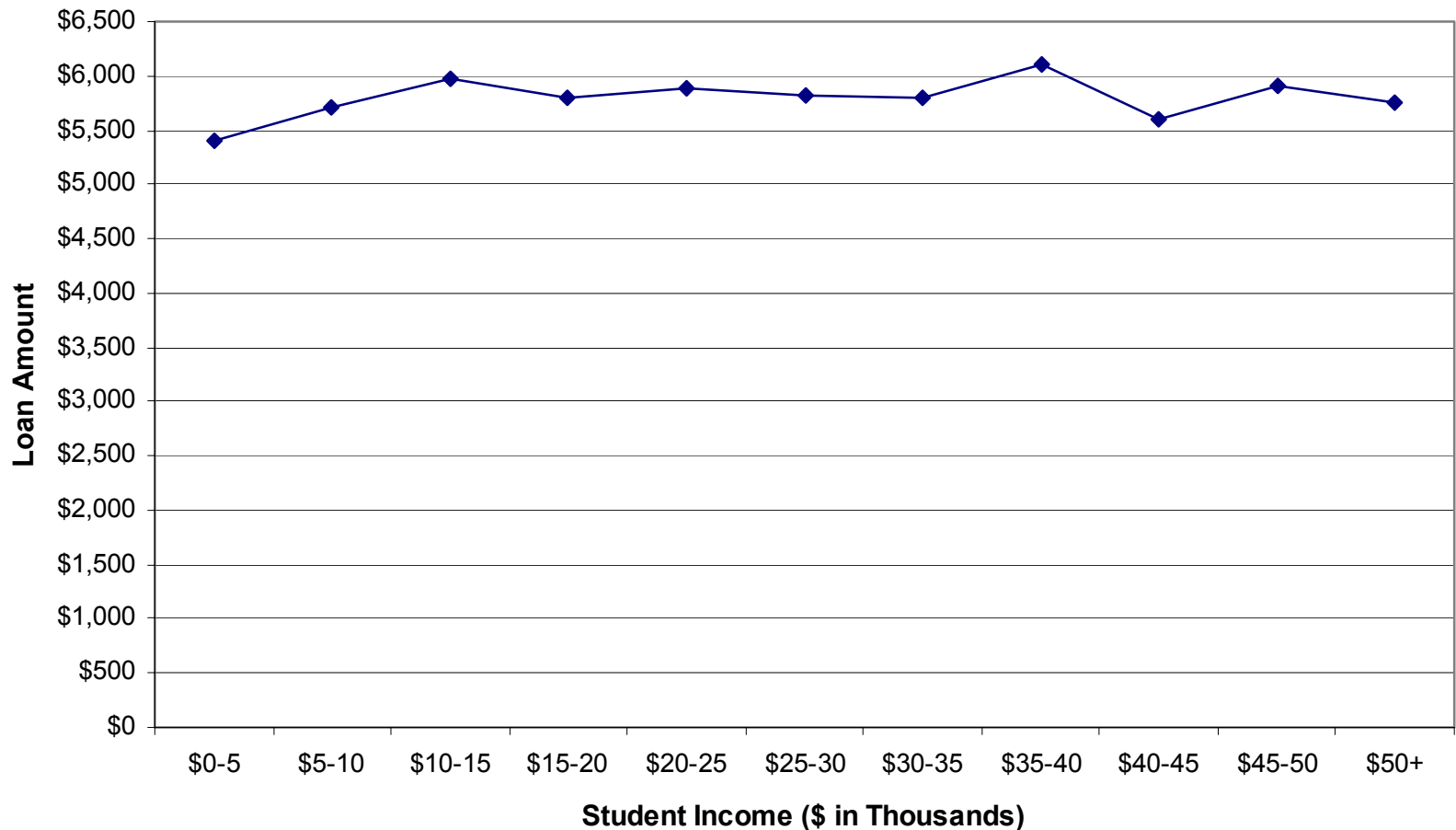


# Average Annual Loan Amounts for Dependents Who Borrow – All Loans





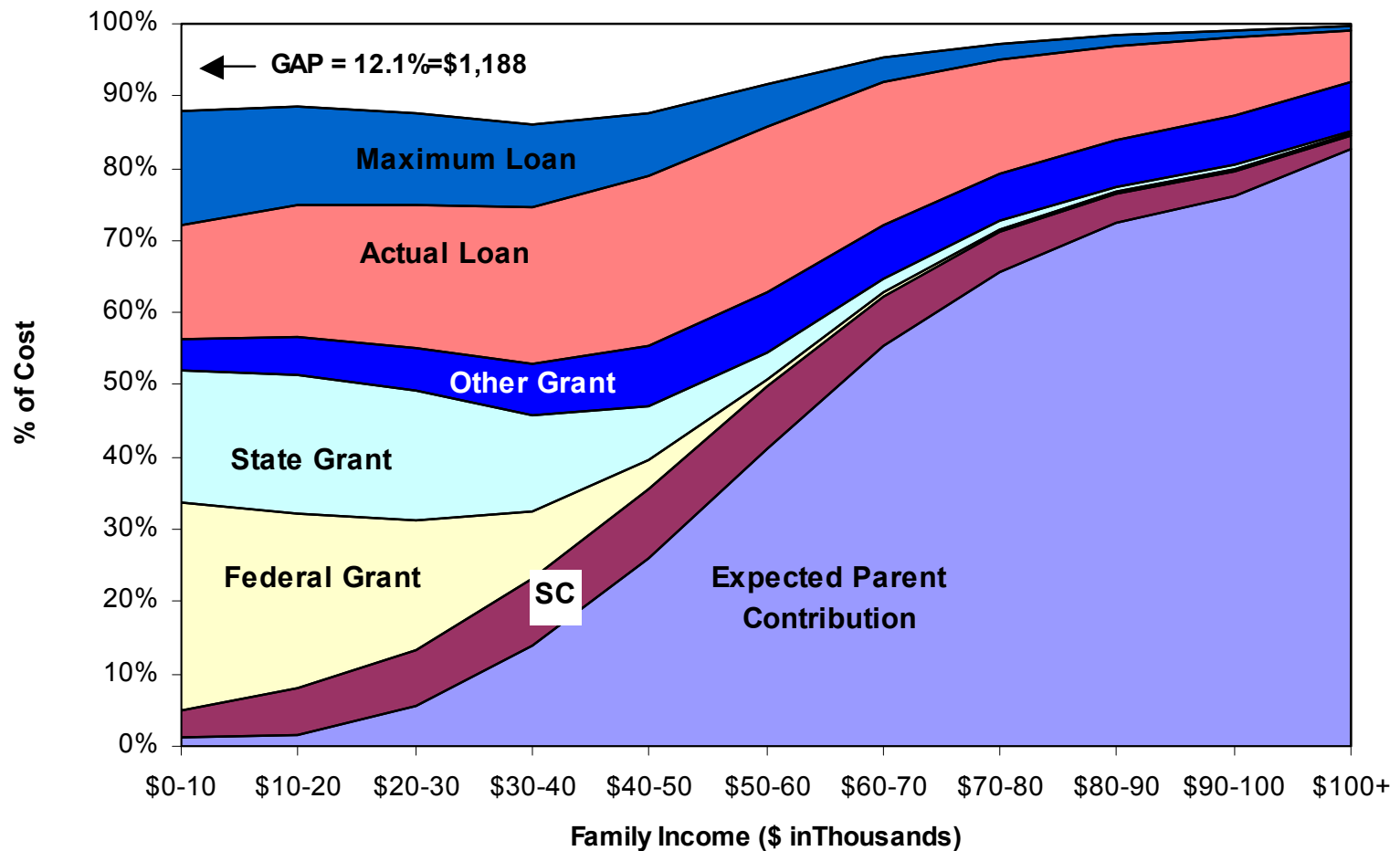
# Average Annual Loan Amounts for Independents Who Borrow – All Loans



# Combined Resources

- Cost of Attendance
- Adjusted Parent Contribution
- Adjusted Student Contribution
- Federal Grants
- State Grants
- Other Grants
- Actual Loan
- Additional Borrowing Capacity

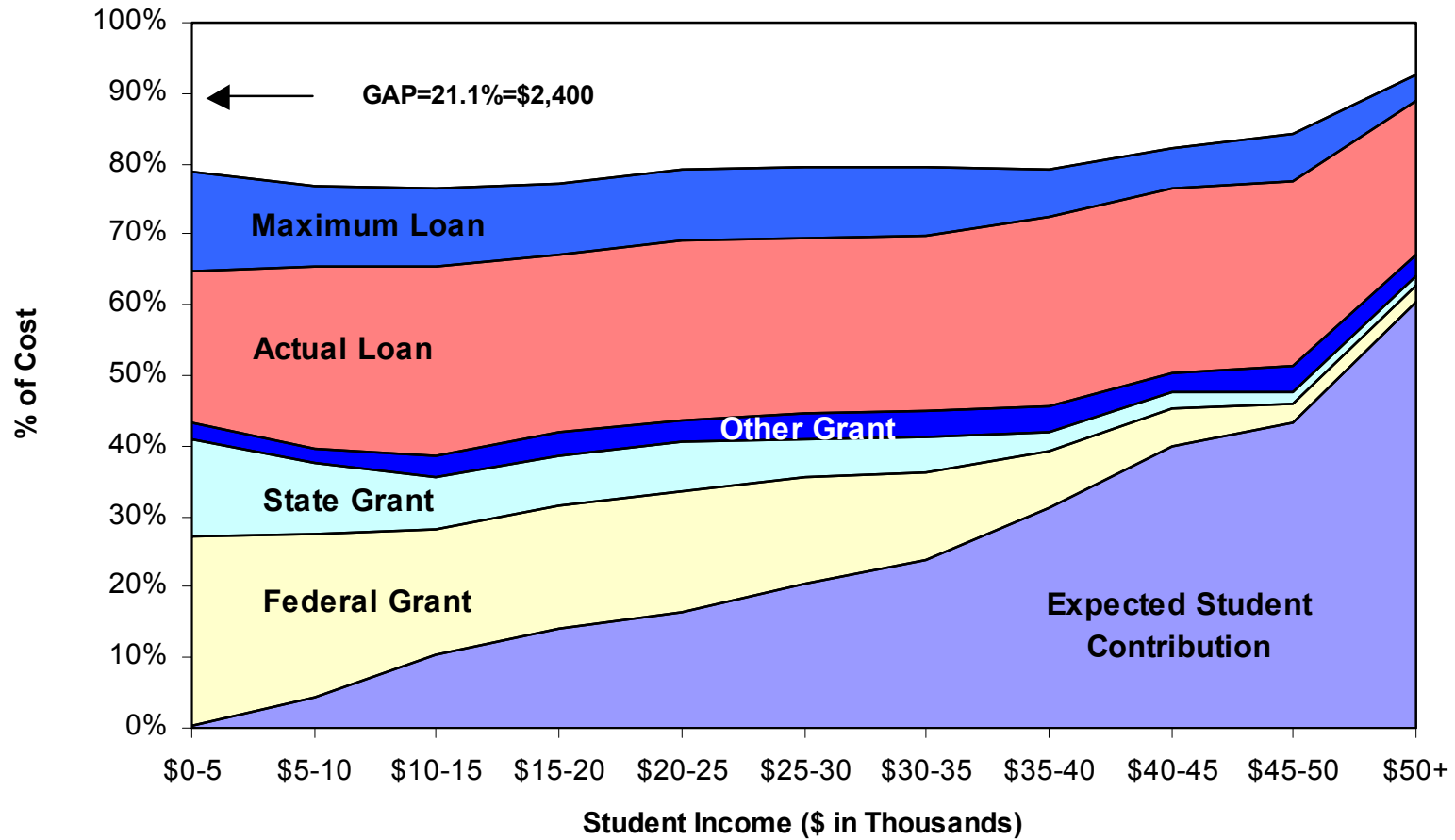
# Combined Resources -- Dependent



# Changes 1994-95 to 1999-00 for Dependent Hoosiers

- State and federal grants covering larger portion of cost
- State grants sliding up the income scale
- Actual loans (need-based only) growing as a portion of cost
- A remarkable similarity in portion of cost met by each resource in 1994-95 and 1999-00

# Combined Resources -- Independent



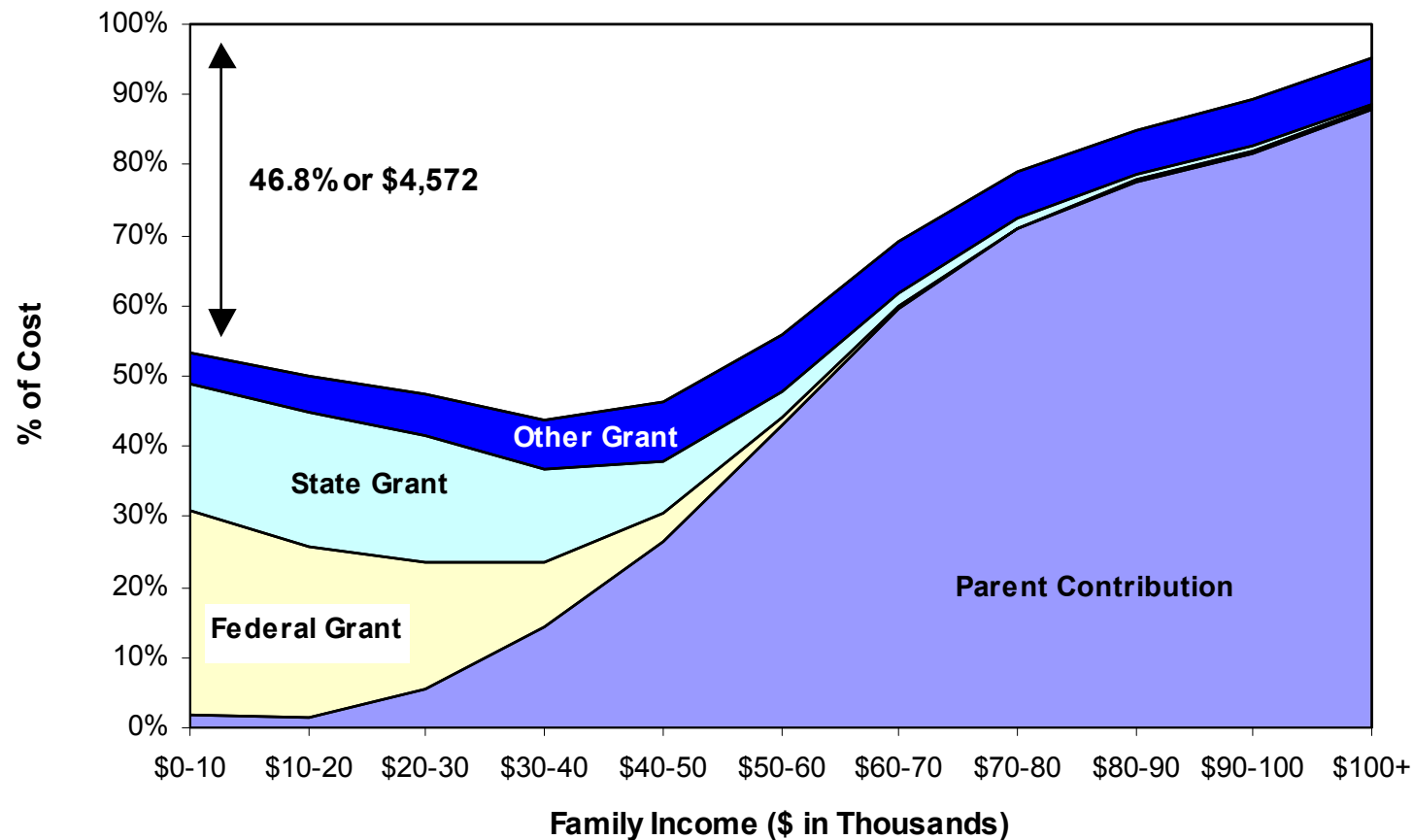
# Changes 1994-95 to 1999-00 for Independent Hoosiers

- Some increase in portion of cost covered by state and federal grants
- Increase in portion of costs covered by need-based loans
- Otherwise, great similarity between 1994-95 and 1999-00

# Cost of Attendance Index

- Cost of Attendance
- Adjusted Parent Contribution
- Federal Grant
- State Grant
- Other Grant

# Remaining Cost After Grant Aid – Dependent Hoosiers





# Why the Improvement?

- Greater share of cost covered by state and federal grants
- Lower cost increases at some institutions, particularly VU and ITSC
- Significant shift in proportion of dependent students meeting study criteria away from more expensive institutions and toward lower cost institutions
- Needs more study

# Conclusions

- Substantial growth in grants and scholarships, particularly from state and “other” sources
- Apparent shift in number of students from poorest families toward lower-cost institutions
- Reduction in Cost of Attendance Index
- Increases in average need-based loan amounts, but not overwhelming
- Many students from higher family income groups are borrowing regardless of calculated need

# Conclusions

- Independent students experience greater resource shortfalls and have to borrow more than dependents
- Appears to be an affordable place for most students
- This study covers a limited portion of the entire student population, and other parts of the student population may be having a harder—or easier—time paying for college now than in 1994-95